

OPENING STATEMENT BY

Senator Jacob K. Javits (N.Y.), Ranking Senate Minority Member

Joint Economic Committee News Conference

March 19, 1964

11 a.m.

On behalf of myself and the other Republican members of the Joint Economic Committee, I want to express our full support of Chairman Douglas in presenting to you a valid and bipartisan rebuttal to the recent criticism in the Soviet press.

I have examined the Joint Economic Committee's recently issued study of Soviet statistics and found it authoritative and in the tradition of earlier Committee publications, such as "Dimensions of Soviet Economic Power," published in December 1962.

I have also examined the article published in Pravda on March 14 and found its arguments intemperate and in no way meeting the evidence accumulated in the Committee's study.

It is a well-known fact that the statistics published by the Soviet Union's own experts indicate a decline in Soviet agricultural production and in the annual growth rates for national income and industrial production. The Joint Economic Committee's study is only "guilty" of spelling out this decline in objective and scholarly terms.

The only explanation I can find for the Pravda article is that the Soviet authorities fear the unfavorable impact of this Committee's study on less-developed countries -- namely, that the Soviet economy has not performed as well as the Soviets have been claiming in the past four years.

They may also fear that the evidence presented in the Committee's study will strengthen the demands of their European satellites for the right to meet their needs through their own institutions, for example, in the field of agriculture.

MEMORANDUM FOR: ACTING DIRECTOR

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We have just located this Joint Committee Report of "Comparisons of the United States and Soviet Economies," published in 1960 and now out of print. You will note it states that it was prepared by the CIA, and the Letter of Transmittal on page III says it was prepared by CIA in response to a request from Senator Javits made during Mr. Dulles' testimony in the open hearings on 13 November 1959. This paper was coordinated with State and Defense. No great outcry followed its publication, but it was well received by professional economists. DD/I and Mr. Chretien have been notified.

LAWRENCE R. HOUSTON
General Counsel

23 January 1964
(DATE)

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